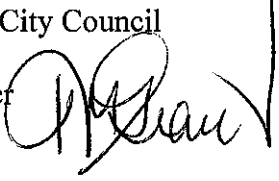




776 N.E. 125 Street, North Miami, Florida 33161

## Council Report

To: The Honorable Mayor and City Council  
From: Kay Grant, Budget Manager   
Date: April 24, 2012  
RE: Neighborhood Stabilization Program (NSP2) Grant

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### **RECOMMENDATION**

It is recommended that the Mayor and Council approve the attached resolution amending Fiscal Year 2011-12 amended Revenue and Expense budgets to include the receipt and appropriation of grant funding in the amount of Three Hundred Thousand (\$300,000.00) from HUD under the Neighborhood Stabilization Program 2 (NSP2).

### **BACKGROUND**

On February 11, 2010 a Consortium Funding Agreement was entered into by and between the City of North Miami and Neighborhood Funding Services of South Florida to assist the Non-Profit Consortium Members with various aspects of the NSP2 program in a total amount not-to-exceed \$300,000. This agreement allowed for the City of North Miami to act in an administrative capacity only, to include but not limited to assisting in planning the Consortium's neighborhood stabilization and revitalization strategies which include environmental reviews, decision making, and action for proposed projects within our jurisdiction on behalf of the Consortium.

Further, on January 11, 2012 the aforementioned agreement was amended to allow the City of North Miami to re-allocate the not-to-exceed amount of \$300,000 by designating \$100,000 of the total grant to be used for the purposes of planning and administrative activities while leveraging the balance of \$200,000 towards activity delivery costs, specifically the rehabilitation of properties purchased through the NSP1 program. Through funding from the NSP1 program, the City of North Miami has purchased a total of twenty (20) properties. Of the total properties purchased, the City has rehabilitated thirteen (13) properties. This amendment and re-designation of funding will allow the City to rehabilitate the remaining seven (7) properties.

### **Attachments**

Resolution  
NSP2 Amendment

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL  
OF THE CITY OF NORTH MIAMI, FLORIDA, AMENDING  
THE FISCAL YEAR 2011-2012 ADOPTED AMENDED  
REVENUE AND EXPENSE BUDGETS TO INCLUDE THE  
RECEIPT AND APPROPRIATION OF GRANT FUNDING  
IN THE AMOUNT OF THREE HUNDRED THOUSAND  
DOLLARS (\$300,000.00) FROM THE U.S. HOUSING AND  
URBAN DEVELOPMENT (HUD) NEIGHBORHOOD  
STABILIZATION PROGRAM 2 (NSP2); PROVIDING FOR  
AN EFFECTIVE DATE AND ALL OTHER PURPOSES.**

**WHEREAS**, on February 11, 2010, a Consortium Funding Agreement was entered into between the City of North Miami ("City") and the Neighborhood Funding Services of South Florida ("Agreement") to assist the non-for-profit Consortium Members ("Consortium") with various aspects of the U.S. Housing and Urban Development ("HUD") Neighborhood Stabilization Program 2 ("NSP2"); and

**WHEREAS**, the Agreement allowed the City to act in an administrative capacity to the Consortium and assist in planning neighborhood stabilization and revitalization strategies, including environmental reviews for proposed projects on behalf of the Consortium, for an amount not-to-exceed Three Hundred Thousand Dollars (\$300,000.00); and

**WHEREAS**, on January 11, 2012, the Agreement was amended to allow the City to re-allocate the Three Hundred Thousand Dollars (\$300,000.00), by designating One Hundred Thousand Dollars (\$100,000.00) for planning and administrative activities with the balance of Two Hundred Thousand (\$200,000.00) towards the rehabilitation of properties purchased through the Neighborhood Stabilization Program 1 ("NSP1"); and

**WHEREAS**, the re-allocation of these funds, will allow the City to rehabilitate seven (7) remaining properties under NSP1; and

**WHEREAS**, the Mayor and City Council passed and adopted an annual budget in accordance with the Charter of the City of North Miami for the current Fiscal Year 2011-2012, commencing October 1, 2011; and

**WHEREAS**, City administration respectfully recommends amending Fiscal Year 2011-2012 Adopted Amended Revenue and Expense Budgets to recognize the receipt and appropriation of the aforementioned proceeds.

**NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:**

**Section 1. Amendment of Budget.** The Mayor and City Council of the City of North Miami, Florida, hereby amend the Fiscal Year 2011-2012 Adopted Amended Revenue and Expense Budgets to include the receipt and appropriation of grant funding in the amount of Three Hundred Thousand Dollars (\$300,000.00) from the U.S. Housing and Urban Development (HUD) Neighborhood Stabilization Program 2 (NSP2).

**Section 2. Effective Date.** This Resolution shall become effective immediately upon adoption.

**PASSED AND ADOPTED** by a \_\_\_\_\_ vote of the Mayor and City Council of the City of North Miami, Florida, this \_\_\_\_\_ day of April, 2012.

\_\_\_\_\_  
ANDRE D. PIERRE, ESQ.  
MAYOR

ATTEST:

\_\_\_\_\_  
MICHAEL A. ETIENNE, ESQ.  
CITY CLERK

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
REGINE M. MONESTIME  
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

**Vote:**

Mayor Andre D. Pierre, Esq.	_____ (Yes)	_____ (No)
Vice Mayor Jean R. Marcellus	_____ (Yes)	_____ (No)
Councilperson Michael R. Blynn, Esq.	_____ (Yes)	_____ (No)
Councilperson Scott Galvin	_____ (Yes)	_____ (No)
Councilperson Marie Erlande Steril	_____ (Yes)	_____ (No)

## **Amendment**

### **To Consortium Funding Agreement**

On February 11, 2010 a Consortium Funding Agreement ("Agreement") was entered into by and between City of North Miami, a Florida municipal corporation, and Neighborhood Housing Services of South Florida, Inc. . The parties now wish to amend the Agreement follows:

1. . Article I(B) ("Scope of Services", "General Administration") of the Agreement is hereby amended by replacing the first paragraph of that subsection in full. With this amendment only the first paragraph of Article I(B) is being replaced - the remainder is not affected. The new wording for the initial paragraph in Article I(B) reads as follows:

#### **B. General Administration**

*The Lead Member must ensure that no more than 10 percent of the total grant amount is used for planning and administration activities described at 24 CFR 570.205 and 570.206; the Consortium Member shall use no more than \$100,000 over the course of three years from the date of this Agreement for these planning and administration activities. Additionally, the Lead Member must ensure that the Consortium Member uses no more than 10 percent of program income for planning and administration activities. This amount does not include project delivery costs associated with the provision of eligible NSP2 activities.*

2. The entire Article III ("Budget") is hereby amended and replaced in full. The new replacement language for Article III reads as follows:

#### **III. BUDGET**

*The Consortium Member's budget shall be attached as Exhibit "B" to this Agreement which shall account for expenditures involving both the development of home ownership units and the development of rental units as applicable to the deliverables described in Exhibit A and shall include NSP2 funded Program Delivery and Administrative Costs.*

*The Lead Member may require a more detailed budget breakdown than the one contained herein, and the Consortium Member shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Lead Member. Any amendments to the budget must be approved in writing by both the Lead Member and the Consortium Member.*

*If the Consortium Member fails to expend NSP2 funds as indicated with regard to the goals and delivery schedule of Exhibits "A," "B," or "C," as applicable, Lead Member may reallocate funds to other Members of the Consortium..*

3. Exhibit A of the Agreement is hereby amended and replaced in full. The new replacement wording for Exhibit A reads in full as follows:

#### **Exhibit A - Deliverables**

*The Consortium Member shall acquire and/or redevelop properties that are eligible under the HUD regulations that govern the NSP2 which are located in census tracts that have been approved by HUD to be eligible under the Consortium's NSP2 grant and to create housing*

*opportunities for NSP2 eligible persons*

4. Exhibit B of the Agreement is amended and replaced in full. The new replacement wording of Exhibit B reads in full as follows:

**Exhibit B**

\$100,000	Program Administrative Costs
\$200,000	Activity Delivery Costs

5. Exhibit C of the Agreement hereby is amended and replaced in full. The new replacement wording for Exhibit A reads in full as follows:

**Exhibit C - Levels of Accomplishment**

<u>Activity</u>	<u>Number of Units</u>
Affordable Housing	2

6. Authority to Execute. The parties each warrant and represent to the other than the individuals signing this Amendment on their behalf have full power and authority to execute and deliver the Agreement and to bind the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto agree to the above terms and have caused this Contract to be executed in their names by their duly authorized officers.

City of North Miami

By: \_\_\_\_\_

signature

Stephen E. Johnson, City Manager

print name and title

Date: \_\_\_\_\_

1/24/12

Neighborhood Housing Services of  
South Florida, Inc.

By: \_\_\_\_\_

signature

Arden Shank, President

print name and title

Date: \_\_\_\_\_

Jan 11, 2012